

TENNESSEE REGULATORY AUTHORITY

Deborah Taylor Tate, Chairman
Pat Miller, Director
Sara Kyle, Director
Ron Jones, Director



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Nashville, Tennessee 37243-0505

T.R.A. DOCKET ROOM

July 31, 2003

Patrick D. Crocker
Early, Lennon, Crocker & Bartosiewicz, P.L.C.
900 Comerica Building
Kalamazoo, Michigan 49007

RE: Docket # 03-00455

Dear Mr. Crocker:

By statute CLEC applicants are required to demonstrate their managerial, financial and technical abilities to provide the services for which they seek authority. To assist the Authority in its review of NOW Acquisition Corporation's application for a Certificate of Convenience and Necessity to provide competing local telecommunications services within the state of Tennessee, you are requested to provide the information on the attachment.

Please provide this information by August 15, 2003. If you have any questions concerning this request or need additional information, please call Patsy Fulton at 615-741-2904 ext. 193.

Sincerely,

Joe Werner, Chief of Telecommunications

Attachment

Cc: Docket File

NOW Acquisition Corporation
Data Request
July 31, 2003

1. On March 10, 2000, the Tennessee General Assembly enacted Public Chapter 586 which amends Tennessee Code Annotated §65-4-125, "Changes in telecommunications service provider - Regulation - Enforcement." Section 3 of this act states as follows:

Section 3. Tennessee Code Annotated, Section 65-4-125, is amended by adding the following as a new, appropriately designated subsection:

j. By September 1, 2000, all telecommunications service providers subject to the control and jurisdiction of the authority, except those owners or operators of public [pay] telephone service who pay annual inspection and supervision fees pursuant to Tennessee Code Annotated, Section 65-4-301(b), or any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more than five million dollars (\$5,000,000), shall file with the authority a corporate surety bond or irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000) to secure the payment of any monetary sanction imposed in any enforcement proceeding, brought under this title or the Consumer Telemarketing Protection Act of 1990, by or on behalf of the authority.

Pursuant to the above statute, the following will be due to the Tennessee Regulatory Authority ("TRA"), prior to completing the processing of your application for a Certificate of Public Convenience and Necessity.

1. A corporate surety bond in the amount of \$20,000; or
 2. An irrevocable letter of credit in the amount of \$20,000; or
 3. Documentary evidence that you own and operate equipment facilities in Tennessee worth more than \$5,000,000.
2. Provide the financials including balance sheet, income statement and statement of cash flow for NOW Acquisition Corporation inclusive of any start-up capital and expenses.
3. Provide the financials including balance sheet, income statement and statement of cash flows for the parent company BiznessOnline.com, Inc. for year-end 2002.
4. Provide projected financials for three years for the parent, BiznessOnline.com, Inc.
5. Provide projected financials for three years for NOW Acquisition Corporation.

6. Provide an explanation of the funding that will be provided to NOW Acquisition Corporation from the parent, BiznessOnline.com, Inc. and where BiznessOnline.com, Inc. intends to obtain the funding to provide NOW Acquisition Corporation.

7. Provide an explanation of the relationship between MCG Capital Corporation and BiznessOnline.com, Inc. It appears that MCG Capital Corporation is the company buying Now Acquisition Corporation; however, you have stated that BiznessOnline.com, Inc. is the parent. How do they connect?

8. Provide an amendment to the Pre-Filed Testimony explaining the financial abilities of Now Acquisition Corporation to be a future going concern.